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C O N F I D E N T I A L SECTION 01 OF 02 KUWAIT 000785

SIPDIS

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SUBJECT: AMBASSADOR'S INTRODUCTORY CALL ON KUWAIT'S
MINISTER OF COMMUNICATIONS: MANDATE TO FIX A STRUGGLING
SYSTEM

REF: KUWAIT 655

Classified By: The Ambassador for reasons 1.4 (b) and (d)

Summary

1. (U) The Ambassador met July 9 with newly appointed Kuwaiti Minister of Communications Abdul Rahman Al-Ghunaim. Al-Ghunaim, an American educated 23-year veteran of the Ministry of Communications, known locally as the father of Kuwait's telephone system, was selected by the Prime Minister to return to the Ministry and fix Kuwait's struggling postal and telecommunications systems. His additional priorities include creating a flexible Telecommunications Regulatory Authority (TRA), developing an intra-Gulf and intra-Kuwait rail system, and encouraging tourism.

Can You Hear Me Now?

2. (C) Al-Ghunaim was one of the first engineers hired by the Ministry of Communications in 1962. He worked there until 1985, overseeing what he described as one of the most advanced and efficient telecommunications and postal services in the Middle East. Since then, he said, Kuwait squandered its telecommunications success due to poor planning and lack of proper maintenance. Al-Ghunaim said he was personally tapped by the Prime Minister (PM) to "fix" Kuwait's system following the PM's frustration with his inability to reliably make calls or send faxes to Kuwait from his homes in France and Switzerland. The Minister noted that Kuwait's large South Asian expatriate community placed particular stresses on Kuwait's postal system as they tended to correspond by regular mail.

3. (SBU) First as the Chairman of the Committee on Communications and then as Minister, Al-Ghunaim developed reports and implementation plans based on his own research and hired U.S. consulting firm Capgemini to undertake an audit of the Ministry. In addition, Al-Ghunaim discovered that British Telecom (BT) had already been contracted to conduct an in-depth review and audit of the Ministry that according to Al-Ghunaim "no one had read" prior to his arrival. These two independent audits gave Al-Ghunaim increased understanding of the problems facing the Ministry and gave him added support to pursue organizational change. Al-Ghunaim stressed his belief in the efficiency of the private sector and is developing both a short and long-term strategy to address inefficiencies in the Ministry. This includes, but is not limited to increasing coordination within the Ministry, addressing morale issues, and conducting spot inspections of airlines, airports, and other Ministry facilities.

Kuwait Airline Privatization

¶4. (SBU) Ambassador asked about progress on plans to privatize Kuwait Airlines and Al-Ghunaim said it was well on track. He recounted a recent trip with his family on the beleaguered airline in which he traveled incognito in a "t-shirt and jeans" so that he could observe the crew and pilot. At the end of the journey out of Kuwait, he "blasted" them for poor performance. However, the Minister recounted, things were much improved on his return trip, such that he sent a "kudos" notice to the airline.

TRA

¶5. (SBU) Al-Ghunaim is working to develop a TRA that is adaptable to new technology in the telecommunications industry, but also has the blessing of the National Assembly. He expressed concern with current draft TRA legislation that he claimed had been copied directly from Omani law, grammatical mistakes included. Al-Ghunaim would like to simplify the law, thus keeping telecommunications oversight largely outside of the control and oversight of the National Assembly to avoid political interference.

Transit and Tourism

¶6. (U) Al-Ghunaim is keen on introducing the intra-Gulf railway system that was developed through the Arab League's Transportation Committee. The current plan calls for a train line from Saudi Arabia through Kuwait to Basra, Iraq with plans to extend the line farther north in the future. The

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Ministry of Communications has also identified four potential light rail lines for intra-Kuwait transit. In addition, Al-Ghunaim expressed interest in developing Kuwait's tourism industry, which would focus on Abrahamic sites in Mesopotamia as well as Kuwait's archeological past.

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